MEMORANDUM

To: Potential Compliance Monitors for the Northwest Vermont Reliability

Project

From: Vermont Public Service Board

DATE: April 13, 2007

SUBJECT: Request for Proposals for Compliance Monitor

The Vermont Public Service Board ("Board") is seeking proposals for an independent Compliance Monitor to monitor compliance of the Northwest Vermont Reliability Project ("NRP") with the requirements of the Certificate of Public Good ("CPG") issued in Public Service Board Docket No. 6860 as well as applicable laws pertaining to archeological impacts, wetlands impacts, and clearing or retention of vegetation. The desired services are described in more detail in Attachment A (the Request for Proposals). If you would like to submit a proposal for the provision of these services, please do so by **May 8, 2007.**

Any consultant that is selected will need to be available to begin work on or about June 1, 2007. In addition, the consultant should review the conflict of interest disclosure form set out in Attachment B. Applicants should consider whether existing or planned relationships to persons or entities would (or could appear to) conflict with his or her ability to serve as the Compliance Monitor.

We will accept proposals combining the talents of more than one firm.

If you have any specific question about any part of this memorandum, please feel free to contact the Board's Business Manager, Cynthia Muir, at (802) 828-2358.

We look forward to receiving your proposals by May 8, 2007.

encl.

REQUEST FOR PROPOSALS

The Vermont Public Service Board ("Board") is soliciting bids for an independent Compliance Monitor to monitor compliance of the Northwest Vermont Reliability Project ("NRP") with the requirements of the Certificate of Public Good ("CPG") issued in Public Service Board Docket No. 6860¹ as well as applicable laws pertaining to archeological impacts, wetlands impacts, and clearing or retention of vegetation.

Docket No. 6860 consists of the Board's review of petitions filed by Vermont Electric Power Company, Inc. ("VELCO") and Green Mountain Power Corporation ("GMP") seeking a certificate of public good, pursuant to 30 V.S.A. § 248, for construction or upgrades of twelve VELCO and GMP substations, the construction of a new 35.5-mile 345 kV transmission line from West Rutland to New Haven, the replacement of existing 34.5 kV and 46 kV subtransmission lines with a 27-mile 115 kV transmission line from New Haven to South Burlington, and the reconductoring of an existing 5.6-mile 115 kV transmission line from Williamstown to Barre, Vermont (collectively, the "Project"). A Compliance Monitor is sought pursuant to an agreement filed in the Docket between the State of Vermont Agency of Natural Resources ("ANR"), the State of Vermont Division for Historic Preservation ("DHP") and VELCO. The Compliance Monitor should be qualified to evaluate both historic sites and wetlands, as well as compliance with requirements pertaining to clearing and retaining vegetation and applicable laws pertaining to archeological impacts, wetlands impacts, and clearing or retention of vegetation. The monitor shall also be familiar with erosion prevention and sediment control requirements.

The Compliance Monitor will be expected to conduct site inspections at least twice weekly, respond to and investigate reports of alleged violations, and submit written reports of such violations. The Compliance Monitor will have the authority to request and to promptly receive documents relevant to archeology, wetlands, erosion prevention and

^{1.} The CPG and the Board's Final Order are available on the Board's web site at http://www.state.vt.us/psb/6860cpg012805.pdf and http://www.state.vt.us/psb/6860fnl012805.pdf.

^{2.} Vermont Transco, LLC ("Vermont Transco") and Central Vermont Public Service Corporation ("CVPS") also have joined as petitioners in Docket No. 6860.

sediment control, and plan drawings regarding the NRP, including maps and plans. The Compliance Monitor also will have the authority to make unannounced construction site visits. However, the Compliance Monitor's responsibilities will be subject to certain notice and training requirements. Specifically, prior to entering any substation land or right-of-way, the Compliance Monitor will be required to notify VELCO via telephone to its dispatcher (who shall be on call twenty-four hours a day); such notice may be given immediately before entry. In addition, all Compliance Monitor personnel will be required to take VELCO's basic safety and environmental training before entering any substation land or right-of-way.

The Compliance Monitor will be required to provide monthly reports to the Board regarding its inspections and findings. The Compliance Monitor shall also provide copies of these reports to ANR, VELCO, DPS, any affected town(s) and the affected regional planning commissions. The reports shall contain: (i) a summary of work witnessed and the monitor's findings; and (ii) identification of any violations or potential violations of the CPG and the basis for such identification. The Compliance Monitor also will submit an annual report and summary evaluation.

The Compliance Monitor will be required to respond to, and investigate, reports of alleged violations as soon as practicable. Upon determining that a violation has occurred, the Compliance Monitor shall immediately report the same to the VELCO supervisory personnel on site, or if such personnel are not on site, then to the VELCO dispatcher. The Compliance Monitor shall submit written reports of such violations to the Board within forty-eight hours of having determined that the violation has occurred. Copies of these reports shall be provided to ANR, Vermont Transco, DPS, any affected town(s) and the affected regional planning commission.³

The Compliance Monitor will have authority to interview personnel as needed in responding to reports of alleged violations or in conducting or following up on site inspections.

The Compliance Monitor, or monitoring entity, shall: (i) meet the Secretary of the Interior's *Professional Qualification Standards* for archeology; (ii) have demonstrated

^{3.} For purposes of computing the time for filing written reports to be made pursuant to this paragraph, weekend days and Vermont holidays shall be excluded.

familiarity with the Secretary of the Interior's Standards and Guidelines for Archeology and Historic Preservation in the areas of Identification, Evaluation, and Archeological Documentation; (iii) have the education, knowledge and experience to evaluate, monitor and delineate wetlands; (iv) have education, knowledge and experience with pipeline, road, electrical or cable transmission/distribution construction or an equivalent construction ("linear projects"); and (v) have experience or education necessary to evaluate compliance with vegetative clearing plans or requirements to retain vegetation. If practicable, the monitor will have experience with linear projects in Vermont, or other Northeastern states, and be familiar with the topography of Vermont as well as Vermont's regulatory framework.

Terms of Consultant's Services. All responses should specify: (1) the personnel who would work on this project, and the qualifications of those personnel; (2) the hourly rate of all professionals, as well as the hourly rate of all support services personnel that may be available from the consultant to work on this project; and (3) a maximum dollar amount that the consultant would charge for this project. In addition, please specify whether the consultant has performed any work for VELCO, Vermont Transco, ANR, DHP, GMP, CVPS, or the Vermont Department of Public Service ("DPS")⁴ and whether any potential conflicts of interest may exist.

This project is expected to last for a period of one year, with the possibility that the Board will determine that an additional year of monitoring is warranted. The contract for services shall include the Customary State Contract Provisions set forth in State of Vermont Agency of Administration Bulletin 3.5, Appendix C, a copy of which is attached hereto.

Responses will be considered by Board and staff members based both on the qualifications and prior experience of the consultant and on the overall price of the consultant's services. Prior regulatory experience in the areas detailed above is not necessary but will be considered favorably in weighing the proposal.

^{4.} We emphasize that the DPS is a state agency that is fully separate from the Board. The DPS is the statutory representative of the public in proceedings before the Board, including Docket No. 6860. The Board, in contrast, is the quasi-judicial decision-making body in regard to this matter.

<u>Deadline for Responses</u>. Responses to this RFP should be delivered to the Board's offices *no later than May 8, 2007*, at the following address:

Vermont Public Service Board Chittenden Bank Building, 4th Floor 112 State Street Drawer 20 Montpelier, Vermont 05620-2701

Main contacts at the Public Service Board, telephone (802) 828-2358: Ed McNamara, Staff Attorney (questions regarding qualifications and scope of services) and Cynthia Muir, Business Manager (contract questions).

Enclosures